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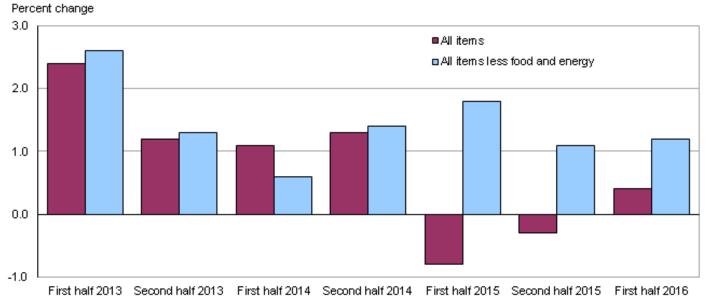
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Incorrect prices for prescription drugs were used for the CPI-U and CPI-W indexes from May through August 2016 in a number of areas. Several indexes were affected, including the all items and medical care indexes. A list of the series affected can be found at www.bls.gov/bls/errata/cpi-price-corrections-10182016.htm, and the corrected data are available in the CPI database (www.bls.gov/cpi/data.htm).

# Consumer Price Index, Milwaukee-Racine — First Half 2016 Local prices rose 0.4 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Milwaukee-Racine area rose 0.4 percent from the first half of 2015 to the first half of 2016, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the all items less food and energy index was 1.2 percent higher compared to its first half 2015 level as price increases were noted for several categories: shelter, recreation, and medical care. Food prices rose 1.1 percent over the year while the index for energy fell 8.7 percent. (See chart 1.)

Chart 1. Over-the-year percent change in CPI-U, Milwaukee, first half 2013-first half 2016



Source: U.S. Bureau of Labor Statistics.

### **Food**

Food prices rose 1.1 percent from their first half 2015 levels. Within the food category, the index for food away from home (restaurant, cafeteria, and vending purchases) increased 4.5 percent while prices for food at home (groceries) were 0.9 percent lower.

## **Energy**

The energy index was 8.7 percent lower from the first half of 2015 to the first half of 2016. Within the energy category, the indexes for gasoline and utility (piped) gas service declined 14.9 percent and 7.5 percent, respectively, over the year. The index for electricity rose 0.3 percent compared to its first half 2015 level.

## All items less food and energy

The all items less food and energy index increased 1.2 percent over the year. Among the index's components, higher costs were recorded for shelter (2.3 percent), recreation (1.9 percent), and medical care (1.2 percent). Prices declined 1.3 percent for education and communication over the year.

The second half 2016 Consumer Price Index for Milwaukee-Racine is scheduled to be released in January 2017.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater

volatility than the national index, although their long-term trends are quite similar. Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The **Milwaukee-Racine**, **Wis.**, consolidated area covered in this release is comprised of Milwaukee, Ozaukee, Racine, Washington, and Waukesha Counties in Wisconsin.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Milwaukee-Racine, WI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2016 from-	
	1st half 2015	2nd half 2015	1st half 2016	1st half 2015	2nd half 2015
Expenditure category					
All Items	226.220	226.984	227.147	0.4	0.1
All items (1967=100)	698.704	701.066	701.568	-	
Food and beverages	246.551	248.702	249.801	1.3	0.4
Food	251.090	252.964	253.851	1.1	0.4
Food at home	246.293	248.995	243.964	-0.9	-2.0
Food away from home	259.030	259.541	270.570	4.5	4.2
Alcoholic beverages	203.507	208.358	211.580	4.0	1.9
Housing	211.854	213.262	215.621	1.8	1.1
Shelter	257.408	260.716	263.454	2.3	1.1
Rent of primary residence (1)	239.683	241.257	243.815	1.7	1.1
Owners' equiv. rent of residences (1) (2)	273.591	278.025	280.692	2.6	1.0
Owners' equiv. rent of primary residence (1)	273.591	278.025	280.692	2.6	1.0
Fuels and utilities	212.012	208.419	208.691	-1.6	0.1
Household energy	173.468	169.387	169.269	-2.4	-0.
Energy services (1)	178.310	174.593	174.696	-2.0	0.
Electricity (1)	212.489	216.195	213.153	0.3	-1.4
Utility (piped) gas service (1)	118.049	105.286	109.147	-7.5	3.
Household furnishings and operations	96.797	95.644	98.328	1.6	2.8
Apparel	143.504	139.638	143.679	0.1	2.9
Transportation	188.043	187.955	178.677	-5.0	-4.9
Private transportation	179.949	180.048	170.303	-5.4	-5.
Motor fuel	219.746	225.426	186.601	-15.1	-17.2
Gasoline (all types)	216.463	222.241	184.274	-14.9	-17.
Gasoline, unleaded regular (3)	216.045	219.801	180.211	-16.6	-18.0
Gasoline, unleaded midgrade (3) (4)	234.862	244.856	206.462	-12.1	-15.
Gasoline, unleaded premium (3)	203.418	217.561	189.200	-7.0	-13.0
Medical care	486.551	488.733	(r)492.159	1.2	0.7
Recreation (5)	116.796	118.172	119.058	1.9	0.
Education and communication (5)	154.216	152.723	152.158	-1.3	-0.4
Other goods and services	388.370	389.660	397.126	2.3	1.9
Commodity and service group					
All Items	226.220	226.984	227.147	0.4	0.1
Commodities	178.022	177.558	(r)175.980	-1.1	-0.9
Commodities less food & beverages	146.998	145.558	142.995	-2.7	-1.8
Nondurables less food & beverages	199.014	198.575	192.621	-3.2	-3.0
Durables	99.847	97.689	98.030	-1.8	0.3
Services	272.379	274.366	276.332	1.5	0.7
Special aggregate indexes					
All items less medical care	214.774	215.476	215.492	0.3	0.0
All items less shelter	216.829	216.676	215.906	-0.4	-0.4
Commodities less food	149.188	147.960	145.594	-2.4	-1.6
Nondurables	223.761	224.515	221.692	-0.9	-1.3
Nondurables less food	199.124	199.070	193.787	-2.7	-2.
Services less rent of shelter (2)	301.813	302.343	303.456	0.5	0.4 0.8
Services less medical care services	255.314 195.626	257.310 195.796	259.263 178.639	1.5 -8.7	0. -8.
All items less energy	231.527	232.358	234.259	-8.7 1.2	6.8- 8.0

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods Milwaukee-Racine, WI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Semi	annual average ind	Percent change to 1st half 2016 from-		
	1st half 2015	2nd half 2015	1st half 2016	1st half 2015	2nd half 2015
All items less food and energy	229.157	229.819	231.893	1.2	0.9

#### Footnotes

- (1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
- (2) Index is on a November 1982=100 base.
- (3) Special index based on a substantially smaller sample.
- (4) Indexes on a December 1993=100 base.
- (5) Indexes on a December 1997=100 base.
- (r) Revised.
- Data not available.